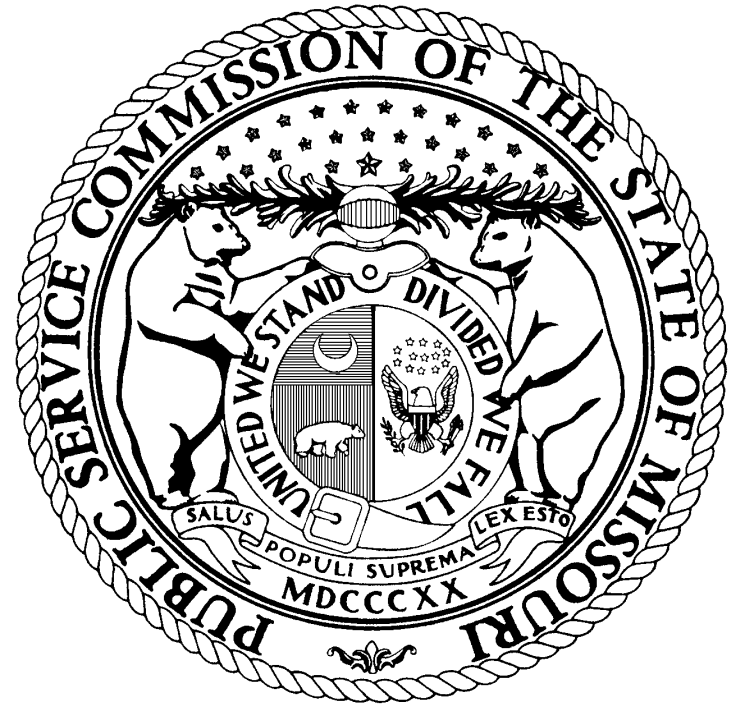


Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102

<http://www.ecodev.state.mo.us/psc/>

# COMMISSION INFORMATION GUIDE





### ***PSC MISSION STATEMENT***

We will:

- ensure that Missourians receive safe and reliable utility service at just, reasonable and affordable rates;
- support economic development, through either traditional rate of return regulation or competition, as required by law;
- establish standards so that competition will maintain or improve the quality of services provided to Missourians;
- provide the public the information they need to make educated utility choices;
- provide an efficient regulatory process that is responsive to all parties; and
- perform our duties ethically and professionally.

This publication is available upon request in alternative formats.

To obtain alternative formats, please make a request to the Public Information Office of the Missouri Public Service Commission at 573-751-9300 or 800-392-4211.

*The Missouri Public Service Commission is an Equal Opportunity Employer.*

## **Missouri Public Service Commission**

### **History**

From regulating street cars and railroads in 1913, through AT&T divestiture and nuclear power plants in the 1980's, to managing the transition to more competition in utility industries, the Missouri Public Service Commission has had a changing, but major, impact on the State's citizenry and economy throughout most of the Twentieth Century.

Governor Elliott Major supported creation of the Missouri Public Service Commission. In his inaugural address, Major called creation of the Public Service Commission "one of the necessities of the hour." Major considered the creation of the Public Service Commission to be "one of the most important acts of the Legislature in many years."

The 47<sup>th</sup> General Assembly passed legislation sponsored by Carroll County Senator William Busby which created the Missouri Public Service Commission in 1913. With the creation of the Missouri Public Service Commission, the Missouri General Assembly no longer set rates for public utilities.

John Atkinson, a former Assistant Attorney General and Speaker of the Missouri House, was named as the Commission's first chairman. He was joined on that first commission by former Missouri Supreme Court Justice John Kennish, railroad expert Frank Wightman and Howard Shaw, Dean of the School of Engineering at the University of Missouri-Columbia. On July 3, 1913, St. Louis attorney William Woerner was selected as the fifth member of the Commission.

When established in 1913, the PSC was given general supervision over all railroads, street railroads, express companies, all kinds of car companies, steamboat companies operating upon waters in Missouri and all other common carriers. The Commission was also given

### ***Vision Statement***

"Informed Consumers, Quality Utility Services,  
and a Dedicated Organization for Missourians in the 21st Century"

jurisdiction over all gas corporations, electric, telephone, telegraph, water and municipal systems.

At the close of the year, December 31, 1913, there were 877 corporations, municipalities and individuals engaged in serving the public in some capacity that, by operation of PSC law, placed them under the supervision and jurisdiction of the Commission. In 1913, the Commission regulated 426 telephone corporations.

### **Commission Purpose and Responsibilities**

The Missouri Public Service Commission has the statutory responsibility of ensuring that consumers receive safe and adequate service at just and reasonable rates. Those rates must be set at a level which will provide the companies' shareholders with the opportunity (not a guarantee) to earn a reasonable return on their investment. The Commission must balance a variety of often competing private interests to ensure the overall public interest.

The Missouri Public Service Commission regulates the rates, practices and operations of over 970 investor-owned electric, gas, telephone, water and sewer utilities. The Commission also regulates the state's rural electric cooperatives and municipally-owned natural gas utilities for operational safety, and the manufacturers and dealers of mobile/modular homes and recreational vehicles. The Commission also has jurisdiction over territory issues involving rural electric cooperatives and municipally-owned electric utilities. The PSC also acts as mediator and arbitrator of local telephone disputes regarding interconnection agreements in accordance with federal law. The basic statutory provisions governing the Commission are contained in Chapters 386, 392, 393, 394 and 700 RSMo.

The Commission is funded through assessments of those entities the Commission regulates and not from general revenue.

The Commission has established standards for safety and quality of service to which companies must adhere. Routine and special investigations are conducted by the

Commission's Staff to ensure companies comply with those standards.

Virtually every Missouri citizen receives some form of utility service from an investor-owned public utility company. Utility services and infrastructure are essential to the economy of Missouri. They provide heating and cooling during extreme temperatures. They offer access to emergency services and vital information systems. They provide safe drinking water and assure the environmentally sound disposal of wastewater. Because utilities fulfill these essential needs, the Commission must assure the ratepaying public that quality service will be available on a nondiscriminatory basis at just and reasonable rates.

The Public Service Commission is both quasi-judicial and quasi-legislative. It decides cases based on testimony presented in a courtroom proceeding and also makes the rules by which the companies must operate.

### **Commissioners**

The Commission consists of five commissioners who are appointed by the Governor with the advice and consent of the Missouri Senate. The Governor designates one member as the chairman who serves in that capacity at the pleasure of the Governor. Commissioners are appointed to six year terms. These terms are staggered so no more than two terms expire in any given year.

### **PSC Staff**

The Commission is assisted by a staff of professionals in the fields of engineering, management, accounting, law, finance, economics and consumer affairs. Duties range from helping an individual who has a complaint to investigating multi-million dollar rate requests. The Staff operates as a party to every case filed with the Commission. They conduct audits and investigations making recommendations to the Commission based upon those findings. The recommendations made by the PSC Staff, like those filed by other parties in a proceeding, are used by the Commission in reaching a decision in a complaint or rate case.

## **Office of the Public Counsel**

The general public is represented in proceedings before the Public Service Commission by the Office of the Public Counsel. The Office of the Public Counsel is not a part of the Commission, but is a separate state agency.

The Office of the Public Counsel may be contacted by writing to: Office of the Public Counsel, P.O. Box 7800, Truman State Office Building, Jefferson City, Missouri 65102 or you may call (573) 751-4857.

## **Rate Case Proceedings**

Utility rate cases handled by the Missouri Public Service Commission perhaps have the most immediate impact on public utilities and the customers they serve. Rate cases are often both lengthy and complex and can, at times, draw much public attention. The process begins when a utility company files, with the Commission, new tariffs for authority to increase its rates. The Commission, then, except in unusual or emergency situations, sets a schedule for hearing the case. In general rate cases, the Commission has **11 months** from the date a case is submitted to make a decision on that proposal. Less formal procedures apply for some smaller utilities and the process takes approximately 150 days.

Prior to a hearing being held, the PSC Staff conducts an independent on-site investigation into the company's records to provide the Commission with a recommendation as to what amount of the proposed increase, if any, should be allowed. This investigation can take several weeks or months. Other parties such as the Office of the Public Counsel, consumer groups, industries and cities also are given an opportunity to present evidence on the proposed increase and take part in the proceedings.

Once the participants in a case file prepared evidence, a prehearing conference is held. The parties in a case meet at the prehearing conference to determine which issues are contested and on which ones they agree.

## **Local Public Hearings**

Prior to actual hearings taking place, the Commission may also hold local public hearings in the company's service area to give customers an opportunity to express their views on the proposed increase and bring any service related problems they might have to the Commission's attention.

## **Hearings, Deliberations and Decision**

At formal evidentiary hearings, participants in the case present evidence to the Commission regarding their various recommendations. These hearings are very similar to courtroom proceedings where witnesses are cross-examined by other parties as well as Commissioners.

Once the hearing is completed, a transcript of the hearing is filed and parties of record file briefs. Once this is accomplished the entire record is before the Commission. The Commission reviews that record when making a decision in the case. Once a decision has been reached, the Commission announces that decision through a written report and order. That decision is subject to appeal to the courts by any of the participants in the case, except the Public Service Commission Staff.

**Any person wishing to attend a local public hearing or formal evidentiary hearing who has special needs as addressed by the Americans With Disabilities Act, should contact the PSC at least 10 days prior to the hearings at one of the following numbers: Consumer Services Hotline 1-800-392-4211 or TT/TTY Hotline --1-800-829-7541.**

## **Consumer Complaints and/or Inquiries**

Consumers who have specific questions about matters relating to utility service or who wish to file a complaint against a utility company under the jurisdiction of the PSC, have a number of avenues they may wish to pursue. **First**, the customer should call the utility company and attempt to work out their problem. If the company is not able to satisfy the customer's concerns adequately, he or she should call the Public Service

Commission's Consumer Services Department. The toll free hotline number is **1-800-392-4211**.

The main consumer services office is located in Jefferson City on the eighth floor (Room 840) of the Truman State Office Building. Commission offices are also located in St. Louis.

**St. Louis Office**

815 Charter Commons Drive  
Suite 100B  
Chesterfield, MO 63017-0608  
(314) 207-8001  
FAX: (314) 207-8010

**Jefferson City Office**

P.O. Box 360  
Truman State Office Building  
301 West High Street  
Jefferson City, MO 65102  
(573) 751-3234  
FAX: (573) 751-1847

**Relay Missouri**      The Relay Missouri Service began in 1991 and provides hearing and speech-impaired citizens access to the telephone network. A communications assistant translates a call so that a hearing/speech impaired party can communicate with any other party. TT/TTY users can access the Relay Missouri Center by calling toll-free: 1-800-RELAY-MO (1-800-735-2966). Voice callers can access the center by calling toll-free: 1-800-735-2466.